

Legislative Federal Economic Stimulus Program Oversight Commission  
Department/Agency Questionnaire  
December 22, 2009

ARRA Program: Office of Child Support Enforcement  
U.S. Department of Health and Human Services

Project: Hawaii Child Support Enforcement Agency

**1. For each group/category or program/project for which ARRA funds have been obtained, please provide the following information:**

**(a) A brief summary of the program/project, including goals;**

The U.S. Department of Health and Human Services (DHHS) provides incentive funds to state child support enforcement agencies that perform well in certain categories established by DHHS. In the past, DHHS additionally provided two dollars of matching funds for every dollar of incentive funds that a state earned and spent, but at the end of federal fiscal year 2006-2007, Congress eliminated the additional matching funds. The present ARRA program temporarily restores the matching funds. These ARRA matching funds can be used for any legitimate expenditure to support the state child support enforcement program.

**(b) Whether funds were appropriated for expenditure by a federal agency, were awarded as a formula/block grant to a State or county agency, or were awarded on a competitive grant basis;**

Formula grant.

**(c) Whether matching funds are required, and, if so:**

- (i) Are they available;**
- (ii) Have they been secured;**
- (iii) If they have not been secured, why not; and**
- (iv) Will the State be required to continue that match or provide increased/full funding in the future;**

These ARRA funds *are* matching funds for federal incentive funds earned and spent as described in section 1.(a) of this questionnaire. State matching funds are not required.

**(d) If there are additional requirements to receive funds, what are they;**

Not applicable. There are no additional requirements.

- (e) **The amount of funds involved and the state/federal fiscal year within which the funds must be expended (e.g. SFY 2009-2010 or FFY 2009-2010);**

DHHS awarded to the Child Support Enforcement Agency (CSEA) \$1.4 million in federal incentive funds before September 30, 2009. By spending these federal incentive funds between July 1, 2009 and September 30, 2010, CSEA expects to generate \$2.8 million in ARRA matching funds. The ARRA matching funds must be expended by September 30, 2010.

- (f) **What criteria were used to identify the program/project as a priority and how does the program/project meet them;**

(1) The project will enhance the existing child support enforcement system, or (2) the project will improve the operational infrastructure of CSEA. For example, the employer data clean-up project will greatly reduce unnecessary use of system resources and facilitate posting of child support payments from employers, which in turn will result in better service for custodial parents; and creating new positions in various areas will strengthen operations in those areas.

- (g) **Efforts undertaken to coordinate application for funds and administration of the program/project, including expenditure of funds, with other federal, state, and county agencies;**

These Child Support Enforcement ARRA funds were made available to CSEA as part of the entitlement program that provides all other federal funds to the child support program. Thus, there was no application process per se.

The ARRA funds have given CSEA the opportunity to explore how various types of services that were curtailed or restricted through the budget process could be reinstated, at least during the ARRA time frame. CSEA has coordinated mainly with the federal office of Child Support Enforcement to ensure that funds are drawn down properly and to maximize the amount of funds that CSEA can bring into the state.

- (h) **The criteria used to select activities for the program/project;**

(1) The activity is a legitimate child support expenditure; (2) the activity will provide a value to the program in providing services to families, and (3) the money can be spent before September 30, 2010.

- (i) **Efforts made to provide public notice and seek public comment/input or, if public comment/input was not sought, why;**

None. Public comment/input is not required under this program.

- (j) **Efforts made during the bidding/award process to ensure that it was transparent and that the funds were awarded based on merit and in a prompt, fair, and reasonable manner;**

The bidding/award process complies with state procurement statutes and rules.

- (k) **Measures employed to: (1) reduce duplication of efforts, (2) ensure that funds were used for authorized purposes, and (3) prevent cost overruns, fraud, waste, error, and abuse;**

(1) No other agency in Hawaii provides child support enforcement services.

(2) All of the Department's federal grant funds are coded to separate accounts. Charges to these accounts must go through several levels of approval, including the program manager, division supervisor, Administrative Services Officer, the Department's fiscal office, and the Department of Accounting and General Services Pre-Audit Branch. At each level, each charge is reviewed to ensure that it is appropriate for the specific account.

(3) Costs are monitored by the program manager and CSEA's Accountant Supervisor. Further review is conducted by the Department's fiscal office and the Department of Accounting and General Services Pre-Audit Branch. Charges to the account must comply with the DHHS requirements for this program and with applicable State Procurement Office rules.

- (l) **Current status of the program/project, including percentage of awarded funds that have been obtained, percentage of awarded funds encumbered and/or expended, and what part(s) of program/project have been completed; and**

CSEA has spent approximately \$226,000 in federal incentive funds between July 1, 2009 and November 30, 2009. This has generated approximately \$438,000 in ARRA matching funds, which must be spent by September 30, 2010.

CSEA has created twenty positions. Other activities include the Customer Service Training project (completed in October 2009), the Decision Support System Training project (the vendor has been selected); the Employer Data Clean-Up project (the contract has been executed and the work will start in January 2010); the Interactive Voice Response Unit project (the contract is being processed); hiring additional staff for the Deadbeat Parent unit, in order to enforce more cases with high arrearages; acquiring furniture and equipment (a request for proposals for furniture has been issued, and CSEA expects to purchase computer equipment in early 2010); and expanding the personal service of process activities within CSEA.

- (m) **Actual or anticipated economic impact to the State of the program/project, including the number of jobs saved/created and the long-term public benefits of the program/project.**

Number of jobs saved/created: CSEA has established twenty positions (one Administrative Processing Branch Attorney, two Child Support Enforcement Supervisors, one Deputy Attorney General, one Information Technology Specialist, one Investigator, two Legal Clerks, ten Office Assistants, and two Program Specialists). CSEA has filled eight of these positions, is recruiting for eight of these positions, and is processing personnel documents for four individuals who have accepted position offers.

The Department does not monitor the number of jobs saved or created by CSEA ARRA sub-contracts because CSEA ARRA funds are not subject to federal ARRA reporting requirements.

Long-term public benefits: Children receive financial support from absent parents. The State receives reimbursement for public assistance programs.

2. **For other programs/projects, if ARRA funds, such as competitive grants, were available for a program/project but were not sought or were denied, please briefly describe why the funds were not sought or why they were denied.**

Not applicable. No other ARRA grants programs were available for child support enforcement services.

3. **Please describe:**

- (a) **Any legal/operational barriers/constraints encountered in the award, receipt, encumbrance, or expenditure of funds, including procurement, late/delayed federal guidance, and reporting requirements;**
- (b) **The effect of those barriers/constraints; and**
- (c) **If and how they were mitigated.**

The Office of Management and Budget issued its *Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009* approximately two months after Congress passed the ARRA. Because this guidance contained essential information regarding the requirements of this program, CSEA was unable to spend ARRA funds during this two-month period.